

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

400I0276

SENATE TAXATION COMMITTEE ENGROSSED NO.

SB 35 - 02/21/2003

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: The Committee on Taxation at the request of the Department of Revenue

1 FOR AN ACT ENTITLED, An Act to revise the definition of gross receipts for sales and use
2 taxes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That subdivision (4) of § 10-45-1 be amended to read as follows:

5 (4) "Gross receipts," the total amount or consideration, including cash, credit, property,
6 and services, for which tangible personal property or services are sold, leased, or
7 rented, valued in money, whether received in money or otherwise, without any
8 deduction for the following:

9 (a) The retailer's cost of the property or service sold;

10 (b) The cost of materials used, labor or service cost, interest, losses, all costs of
11 transportation to the retailer, all taxes imposed on the retailer, and any other
12 expense of the retailer;

13 (c) Except as provided in chapter 10-46A or 10-46B, charges by the retailer for
14 any services necessary to complete the sale whether or not separately stated,
15 including delivery charges; and



- 1 (d) The value of exempt tangible personal property whether or not separately
2 stated on the invoice, billing, or similar document given to the purchaser where
3 taxable and exempt tangible personal property have been bundled together and
4 sold by the retailer as a single product or piece of merchandise;

5 Gross receipts do not include:

- 6 (a) Discounts, including cash, term, or coupons that are not reimbursed by a third
7 party that are allowed by a retailer and taken by a purchaser on a sale;
- 8 (b) Interest, financing, and carrying charges from credit extended on the sale of
9 tangible personal property or services, if the amount is separately stated on the
10 invoice, bill of sale or similar document given to the purchaser; ~~and~~
- 11 (c) Any taxes legally imposed directly on the consumer that are separately stated
12 on the invoice, bill of sale, or similar document given to the purchaser;
- 13 (d) Any rebate, buy down, credit, or other payment received by a retailer from a
14 manufacturer, wholesaler, or other person who is not the purchaser of the
15 product or service; and
- 16 (e) Any payment, including money, credits, property, or other consideration from
17 a wholesaler, manufacturer, or other person for preferential display or
18 placement of a service or a product;
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